

GVHL Related Party Transaction Policy

Related Party Transaction Policy

The Board of Directors of Global Vectra Helicorp Limited (“the Company”) has adopted the following policy and procedures with regard to Related Party Transactions at their Meeting held on November 15, 2014, considering amendment to the Clause 49 of the Equity Listing Agreement effective October 1, 2014.

1. Objective and Purpose

- 1.1. The Objective of this Policy is to ensure that all Related Party Transactions (“RPT”) entered into by the Company are reviewed and approved by the Audit Committee (“the Committee”), in line with the requirements of Clause 49 of the Listing Agreement.
- 1.2. This Policy is also intended to ensure the proper approval and reporting of transactions between the Company and any ‘Related Party’ as defined in Clause 49 (VII) (B) of the Listing Agreement.

2. Definition

- 2.1. **Board:** Means Board of Directors of the Company.
- 2.2. **Control** shall have the same meaning as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- 2.3. **Audit Committee:** Means Audit Committee of the Board of Directors of the Company constituted under the provisions of the Listing Agreement and the Companies Act, 2013.
- 2.4. **Key Managerial Personnel:** Means key managerial personnel, as defined under the Companies Act, 2013 from time to time and presently, means:-
 - a. the Whole-time Director;
 - b. the Chief Executive Officer,
 - c. the Chief Financial Officer; and
 - d. Company Secretary.
- 2.5. **Material Related Party Transaction:** Means a transaction with a Related Party if the transaction/ transactions to be entered into individually or taken together with previous transactions during a Financial Year, exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

Explanation: “Turnover” means the aggregate value of the realisation of amount made from the sale, supply or distribution of goods or on account of services rendered, or both, by the Company during a Financial Year.
- 2.6. **Related Party Transaction:** Means a transfer of resources, services or obligations between a company and a Related Party, regardless of whether a price is charged or not.

Explanation: A "transaction" with a related party shall be construed to include single transaction or a group of transactions in a contract.

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2.7. Related Party: Means related party as defined in Clause 49 of the Listing Agreement which is as follows:-

A 'Related Party' is an entity which is a related party under : -

- a. Section 2 (76) of the Companies Act, 2013; or
- b. the applicable accounting standards.

2.8. Relative: Means relative as defined under the Companies Act, 2013 and includes anyone who is related to another, if:-

- a. They are members of a Hindu undivided family;
- b. They are husband and wife;
- c. Father (including step-father);
- d. Mother (including step-mother);
- e. Son (including step-son);
- f. Son's wife;
- g. Daughter;
- h. Daughter's husband;
- i. Brother (including step-brother); or
- j. Sister (including step-sister).

2.9. Senior Management: Means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

3. Policy

All Related Party Transactions must be reported to the Committee and referred for approval by the Committee in accordance with this Policy.

3.1. Identification of Potential RPTs

Key Managerial Personnel and Senior Management on quarterly basis shall report to the Committee any potential RPT for its approval.

3.2. Review and Approval of RPTs

To review RPTs, the Committee will be provided with all relevant material information of the Related Party Transaction, including the terms of the transaction, parties with whom transactions are being entered into and other relevant matters.

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3.3. Compliance related to RPTs

- a. All RPTs shall require prior approval of the Committee. However, the Committee may grant omnibus approval for RPTs proposed to be entered into by the Company, subject to the following conditions:
- i. The Committee will consider the following factors, among others, to the extent relevant to the RPT:-
 - Whether the terms of the RPT are fair and on arm's length basis to the Company and
 - Whether such approval is in the interest of the Company Whether the Related Party Transaction would affect the independence of an independent director.
 - ii. Such omnibus approval shall specify (i) the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into, (ii) the indicative base price/ current contracted price and the formula for variation in the price, if any and (iii) such other conditions as the Committee may deem fit on case to case basis;

Provided that, where the need for RPT cannot be foreseen and aforesaid details are not available, the Committee may grant omnibus approval for such transactions, subject to their value not exceeding Rs.1 crore per transaction.
 - iii. The Committee shall review, at least on a quarterly basis, the details of RPTs entered into by the Company, pursuant to each of the omnibus approval given.
 - iv. Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.
- b. Any member of the Committee who has a potential interest in any RPT will excuse himself/ herself and abstain from discussion and voting on the approval of the RPT.
- c. Further, all Material Related Party Transactions shall require approval of the shareholders of the Company, through special resolution and the Related Party/ies shall abstain from voting on such resolutions.
- d. Clause 3.3 of the Policy shall not be applicable, if the Company enters in to or proposes to enter in to any transaction/s with its wholly owned subsidiary, if any, whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval.
- e. For the purpose of this Policy, all entities falling under the definition of 'Related Party' shall abstain from voting irrespective of whether the entity is a party to the particular transaction or not.

4. Review of the Policy

The Board of Directors shall review the Policy from time to time and shall have right to amend/ alter/ modify this Policy as may be required in accordance with the changes in the laws, rules and regulations or otherwise.